



A. **Payments:** You must make all payments in U.S. funds when they are due. If you pay off your contract early, you will not have to pay a penalty. This is a finance charge contract.

1. **How Finance Charge is Calculated:** Creditor figures the Finance Charge using the true daily payments method as defined by the Truth in Lending Act. Under the true daily payments method, the Finance Charge will be figured by applying the daily rate to the unpaid portion of the Amount Financed for the number of days the unpaid portion of the Amount Financed is outstanding. The daily rate is 1/360th of the Annual Percentage Rate. The unpaid portion of the Amount Financed does not include late charges or return check charges.

2. **How Your Payments will be Applied:** Creditor will apply your payments in the following order:

1. earnest but unpaid finance charge; and
2. to anything else you owe under this contract.

3. **How Late or Early Payments Change What You Must Pay:** The Finance Charge, Total of Payments, and Total Sale Price are based on the assumption that you will make all payments as scheduled. If you do not timely make all your payments, the Finance Charge will be more than your scheduled payment. If you make scheduled payments early, your Finance Charge will be less (less, if you make your scheduled payments late, your Finance Charge will increase).

4. **Interest After Maturity:** If you don't pay all that you owe when the final payment becomes due, or you do not pay at all, the creditor will demand payment in full under this contract, you will pay an interest charge on the amount that is still unpaid. The interest charge will be the lower of the rate disclosed on the front of this contract or the maximum rate allowed by law. The interest charge for this amount will begin the day after the last payment becomes due.

B. **Balloon Payment Contracts:** If your last installment payment under this contract is a balloon payment as indicated on the front of the contract, you may handle the last installment payment in one of three ways:

First, you may pay off that you owe when the last installment payment is due and keep your motor vehicle.

Second, you may refinance the last installment payment unless you are in default under the contract. If the creditor has advanced funds to cure any default, you must pay back the creditor before refinancing. You must also provide proof of insurance acceptable to creditor before refinancing. The terms of the refinancing will be as follows:

- a. If the vehicle is described on the front of the contract as new, you can refinance at an annual percentage rate up to 5 points greater than the Annual Percentage Rate shown in this contract. The rate will not be more than applicable law allows. The new agreement will allow you to refinance the last installment for at least 24 months with equal monthly payments. Creditor and you can also agree to refinance the last installment over another time period or on a different payment schedule.
- b. If the vehicle is described on the front of the contract as used, you may enter into a new written agreement to refinance the last installment payment without a refinancing fee. If you refinance the last installment payment, your periodic payments will not be more or more than the payments in this contract. The annual percentage rate in the new agreement will not be more than the Annual Percentage Rate in this contract. This provision does not apply if your payment schedule has been adjusted to your seasonal or irregular income. If you wish to refinance, you must notify the creditor in writing. Except as discussed in this section, the notice must be received no later than 30 days prior to the last installment payment due date. Third, you may sell the vehicle to the creditor for an amount equal to the last installment payment less a \$250 disposal fee. You must pay to the creditor the \$250 and any other amount owed under this contract. Creditor will take the disposal fee if you lease or finance a new vehicle to replace this vehicle and the contract is assigned to Assignee. You also must pay to the creditor an excess mileage charge, if any, as set forth on the front of this contract. You also must pay to the creditor the cost of all repairs to the vehicle that are the result of excess wear and tear, as set forth in Paragraph C. You must take the vehicle to a place selected by the creditor for inspection no later than 15 days before the final payment due date. After the inspection, if you decide to sell the vehicle to the creditor, you must give the vehicle to the creditor no later than the final payment due date. At that time, you must also give the creditor a title, which shows no liens other than the creditor's lien. Transferring ownership to the creditor or a person selected by the creditor after the inspection, if you decide not to sell the vehicle to the creditor, you must immediately contact the creditor and inform the creditor whether you want to refinance the last installment payment.

C. **Damage Repair:** If your last installment payment under this contract is a balloon payment and you sell the vehicle back to the creditor under Paragraph B, you are responsible for repairs of all damage to the vehicle that are not the result of normal wear and tear. These repairs include, but are not limited to, those necessary to:

  - a. replace any tire not part of a matching set of four or any tire which has less than 1/8 inch of remaining tread;
  - b. repair or replace all dented, scratched, chipped, rusted, damaged, scratched, cracked, pitted, broken or missing trim and grill work; all scratched, cracked, pitted or broken glass; all faulty window reglazing; all broken or burned out lights; all electronic malfunctions; all interior upholstery, stains, burns or worn areas; and all damage which would be covered by collision or comprehensive insurance whether or not such insurance is actually in force.

If you have not made the repairs before inspection of the vehicle under Paragraph B, you will owe the estimated costs of such repairs, even if the repairs are not made prior to your sale of the vehicle to the creditor. If you disagree with the estimated costs of repairs, you may have the repairs made at your expense prior to your sale of the vehicle to the creditor.

D. **Security Interest:** To secure all that you owe on this contract and all your promises in it, you give creditor a security interest in:

  - the motor vehicle including all accessories and parts now or later attached and any other goods financed in this contract;
  - all insurance proceeds and other proceeds received for the motor vehicle;
  - any insurance policy, service contract or other contract financed by creditor; and
  - any refund of charges included in this contract for insurance or service contracts.

This security interest also secures any extension or modification of this contract. The contents of this must show creditor's security interest in the motor vehicle.

E. **WAIVER OF NOTICE OF INTENT TO ACCELERATE AND NOTICE OF ACCELERATION:** You give up (waive) your common law rights to receive notice of intent to accelerate and notice of acceleration. This means that you give up the right to receive notice that we intend to demand that you pay all that you owe on this contract at once (accelerate), and notice that we have accelerated.

F. **Use and Care of Motor Vehicle:** You must take care of the vehicle and obey all laws in using it. You will not sell or transfer the motor vehicle without creditor's written permission. If you do sell or transfer the motor vehicle, this will not release you from your obligations under this contract, and creditor may charge you a transfer of equity fee of \$250 (\$50 for a heavy commercial vehicle). You must keep it free from all claims of others. If a third party files a lien or claim against or possession of the motor vehicle, creditor may pay the third party any cost required to free the motor vehicle from all liens or claims. Any amount paid by creditor to third party will be added to the amount you owe. You will not use or allow the use of the vehicle outside of the United States, except for up to 30 days in Canada, or Mexico, without the prior written consent of the creditor.

G. **Seller's Disclaimer of Warranties:** If the vehicle is of a type normally used for personal use and the creditor, or the vehicle's manufacturer, has a written warranty or service contract (covering the vehicle) within 90 days from the date of this contract, you get implied warranties of merchantability and fitness for a particular purpose covering the vehicle. Otherwise, you understand and agree that there are no such implied warranties, except as provided by state law.

H. **Agreement to Keep Motor Vehicle Insured:** You must insure yourself and the creditor against loss or damage to the vehicle. The insurance must cover loss due to collision, fire, and theft. The insurance must be for the actual cash value of the vehicle. A \$100 deductible is required unless the creditor approves another amount. The type and amount of insurance must be approved by the creditor. Whether or not the vehicle is insured, you must pay for it if it is lost, damaged, or destroyed.

I. **Physical Damage Insurance Proceeds:** You must use physical damage insurance proceeds to repair the motor vehicle, unless creditor agrees otherwise in writing. However, if the motor vehicle is a total loss, you must use the insurance proceeds to pay what you owe the creditor. You agree that the creditor can use any proceeds from insurance to repair the motor vehicle, or the creditor may reduce what you owe under this contract. If your insurance on the motor vehicle or credit insurance doesn't pay all you owe, you must pay what is left due. If you apply for insurance proceeds to the creditor, you will be applied to your payments in the reverse order of when they are due. Once all amounts owed under this contract are paid, any remaining proceeds will be paid to you.

J. **Returned Insurance Premiums and Service Contract Charges:** This contract may contain charges for insurance or service contracts or for services included in the cash price. You agree that the creditor can claim benefits under their contracts and unless prohibited by law, terminate them to obtain refunds of unearned charges to reduce what you owe or repair the motor vehicle. If the creditor gets a refund on insurance or service contracts, or other contracts included in the cash price, the creditor will subtract it from what you owe. Once all amounts owed under this contract are paid, any remaining amounts will be paid to you.

K. **Default:** You will be in default if:

1. You do not make a payment when it is due; or
2. You gave false or misleading information on your credit application relating to this contract; or
3. Your vehicle is seized by any local, state, or federal authority and is not promptly and unconditionally returned to you; or
4. You file a bankruptcy petition or are in liquidation; or
5. You do not keep any other promise in this contract.

If you default, creditor can exercise creditor's rights under this contract and creditor's other rights under the law.

L. **Repossession:** If you default, the creditor may require you to pay in once the unpaid Amount Financed, the earned and unpaid part of the Finance Charge, and all other amounts due under this contract without prior notice of demand. Creditor may repossess (take back) the vehicle, so long as the repossession is handled peacefully. The creditor may also take goods found in or on the vehicle when repossessed and hold them for you if creditor sends written notice of the taking to you at your last known address within 10 days of the discovery of the goods by creditor. If you do not wish to pay, the creditor may sell the vehicle. For these items back within 31 days from the day creditor repossesses or delivers the vehicle to you, creditor may dispose of them as applicable law allows. Any accessory, equipment, or replacement part stays with the motor vehicle.

M. **Your Right to Redeem:** If the vehicle is taken back, creditor will send you a notice. The notice will say that you may redeem (buy back) the vehicle, and will explain how to redeem the vehicle. You may redeem the vehicle up to the time the creditor sells it or agrees to sell it. If you do not redeem the vehicle, it will be sold.

N. **Disposition of the Motor Vehicle:** If the vehicle is taken back and sold, the money from the sale, less the unpaid expenses, will be used to pay the amount still owed on the contract. Unpaid expenses are those paid as a direct result of having to relate the vehicle, hold it, prepare it for sale, and sell it. Reasonable lawyers' fees, if the lawyer is not an employee of the creditor and legal costs are allowed, too. If there is any money left (surplus), it will be paid to you unless creditor must pay it to someone else. If the money from the sale isn't enough to pay off this contract and creditor will pay what is still owed to the creditor. If you do not pay this amount when the creditor asks, the creditor may charge you interest at the highest lawful rate until you pay.

O. **Collection Costs:** You must pay any legally permitted expenses related to enforcing this contract, including collection expenses, lawyers' fees (if the lawyer is not an employee of the creditor) and other legal expenses.

P. **Consumer Reports:** You authorize the Assignee listed on the front of this contract to obtain consumer credit reports from consumer reporting agencies (credit bureaus) for any reason and at any time in connection with this contract.

Q. **Servicing and Collection:** You agree that creditor, creditor's affiliates, agents and service providers may monitor and record telephone calls regarding your account to assure the quality of our service or for other reasons. You also expressly consent and agree that creditor, creditor's affiliates, agents and service providers may use written, electronic or verbal means to contact you. This consent includes, but is not limited to, contact by manual calling methods, pre-recorded or artificial voice messages, text messages, emails and automatic telephone dialing systems. You agree that creditor, creditor's affiliates, agents and service providers may use any email address or any telephone number you provide now or in the future, including a number for a cellular phone or other wireless device, to contact you.

R. **Applicable Law:** You agree that this contract will be governed by the laws of the state of Texas.

S. **General:** This contract contains the entire agreement between creditor and you regarding the sale and financing of the motor vehicle. If any part of this contract is not valid, all other parts stay valid. If creditor doesn't enforce creditor's rights every time, creditor can still enforce them later. Creditor will exercise all of creditor's rights in a lawful way.

If the last installment payment under this contract is a balloon payment, Assignee has assigned to CII Exchange, in its capacity as Assignee's qualified intermediary, its rights (but not its obligations) with respect to the purchase and sale of this vehicle. Buyer acknowledges and accepts assignment of this contract to their Assignee (and any successor to Assignee). Buyer also consents to any subsequent assignment of this contract, and accepts this provision as notice of such assignment. By Assignee or anyone else without further notice to Buyer. This consent and/or notice specifically indicates any assignment of the security interest in the vehicle financed pursuant to this contract.

**FTC NOTICES**

**NOTICE - ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

**Used Motor Vehicle Buyers Guide.** If you are buying a used vehicle with this contract, federal regulations may require a special Buyers Guide to be displayed on the window of the vehicle. THE INFORMATION YOU SEE ON THE WINDOW FORM FOR THIS VEHICLE IS PART OF THIS CONTRACT. INFORMATION ON THE WINDOW FORM OVERRIDES ANY CONTRARY PROVISIONS IN THE CONTRACT OF SALE.

Spanish Translation: Guía para compradores de vehículos usados. LA INFORMACION QUE APARECE EN LA VENTANILLA DE ESTE VEHICULO FORMA PARTE DE ESTE CONTRATO. LA INFORMACION CONTENIDA EN EL FORMULARIO DE LA VENTANILLA ANULA CUALQUIER PREVISION QUE ESTABLEZCA LO CONTRARIO Y QUE APAREZCA EN EL CONTRATO DE VENTA.

**READ THIS ARBITRATION PROVISION CAREFULLY AND IN ITS ENTIRETY**

**ARBITRATION**

Arbitration is a method of resolving any claim, dispute, or controversy (collectively, a "Claim") without filing a lawsuit in court. Either you or Creditor ("us" or "we") (each, a "Party") may choose at any time, including after a lawsuit is filed, to have any Claim related to this contract decided by arbitration. Neither party waives the right to arbitrate by first filing suit in a court of law. Claims made but are not limited to the following. 1) Claims in contract, tort, regulatory or otherwise; 2) Claims regarding the interpretation, scope, or validity of this provision, or arbitrability of any issue except for class certification; 3) Claims between you and us, your employees, agents, successors, assigns, subsidiaries or affiliates; 4) Claims arising out of or relating to your application for credit, this contract, or any resulting transaction or relationship, including that with the Dealer, or any such relationship with third parties who do not sign this contract.

**-RIGHTS YOU AND WE AGREE TO GIVE UP**

If either you or we choose to arbitrate a Claim, then you and we agree to waive the following rights:

- RIGHT TO A TRIAL, WHETHER BY A JUDGE OR JURY
- RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR A CLASS MEMBER IN ANY CLASS ACTION YOU MAY HAVE AGAINST US WHETHER IN COURT OR IN ARBITRATION
- BROAD RIGHTS TO DISCOVERY AS ARE AVAILABLE IN A LAWSUIT
- RIGHT TO APPEAL THE DECISION OF AN ARBITRATOR
- OTHER RIGHTS THAT ARE AVAILABLE IN A LAWSUIT

**RIGHTS YOU AND WE DO NOT GIVE UP:** If a Claim is arbitrated, you and we will continue to have the following rights, without waiving the arbitration provision as to any Claim: 1) Right to file a lawsuit in court; 2) Right to enforce the actual interest in the vehicle, whether by repossession or through a court of law; 3) Right to take legal action to enforce the arbitrator's decision; 4) Right to request that a court of law enforce whether the arbitrator exceeded its authority; and 5) Right to seek remedies in small claims court for disputes or claims when that court's jurisdiction.

You or we may choose the Arbitration Administrator Association, 1-800-775-7879 (www.adr.org), or any other organization subject to our approval, to conduct the arbitration. The applicable rules (the "Rules") may be obtained from the selected organization. If there is a conflict between the Rules and this contract, this contract shall govern. The arbitrator is subject to the Federal Arbitration Act (9 U.S.C. § 1 et seq.). The arbitration decision shall be in writing with a supporting opinion. Judgment upon the award rendered by the arbitrator may be entered in a court having jurisdiction. To the extent that the arbitration award, your filing, administration, service of this arbitration fee or your arbitrator or hearing fee exceeds \$300, we will pay the \$300 (or \$200, if you choose to pay one-half of the total or other fees) and your arbitrator or hearing fee exceeds \$300, we will pay the \$300 (or \$200, if you choose to pay one-half of the total or other fees) and your arbitrator or hearing fee exceeds \$300, we will pay the \$300 (or \$200, if you choose to pay one-half of the total or other fees).

Each party shall be responsible for its own attorney, expert and other fees, unless awarded by the arbitrator under applicable law or the organization's rules. The arbitration provision that is unenforceable shall be severed, and the remaining provisions shall be enforced. If a waiver of class action rights is deemed or found to be unenforceable for any reason in a case in which class action allegations have been made, the remainder of this Arbitration Provision shall be unenforceable. The validity and scope of the waiver of class action rights shall be decided by the court and not by the arbitrator.

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